

Security means a direct obligation of the United States, including Treasury bill, note, or savings bond/note.

§ 355.3 Presentment.

(a) *Manner of presentment.* Presentment of a fiscal agency check must be made to the payor Reserve Bank. Such Reserve Bank will cash a fiscal agency check over-the-counter only if presented by the payee and the payee can be reasonably identified to the satisfaction of the Reserve Bank. Otherwise, a fiscal agency check must be presented through banking channels. A refusal to accept or pay a fiscal agency check presented over-the-counter by a person other than the payee or by a payee not reasonably identified does not constitute dishonor.

(b) *Time limit on presentment.* A payor Reserve Bank may refuse to pay a fiscal agency check presented to it more than six (6) months after the issue date on the check. A fiscal agency check not timely presented should be surrendered by the holder to the payor Reserve Bank with a request for issuance of a replacement check pursuant to § 355.5 (d) of this part.

§ 355.4 Presentment warranties.

(a) *Warranties under Regulation J and State law; modifications.* A presenting bank makes the warranties required of a sender under Subpart A of Regulation J. This paragraph does not limit any warranty by a presenter or other party arising under State law. Neither the Department nor a Reserve Bank is barred from recovering on a breach of warranty solely because:

(1) The negligence of the Department or of a Reserve Bank, as fiscal agent, had contributed to a fraudulent indorsement or material alteration;

(2) The Department or a Reserve Bank, as fiscal agent, had failed promptly to discover an unauthorized signature or alteration; or

(3) An imposter had fraudulently caused the issuance of a fiscal agency check in the name of any existing payee; or

(4) An employee of the Department or a Reserve Bank, as fiscal agent, had fraudulently caused the issuance of a fiscal agency check in the name of any existing payee.

(b) *Effect of breach of warranty.* In the event of a breach of warranty, the payor Reserve Bank may either return the item to the presenting bank or send to the presenting bank notice of the breach. If, upon receipt of the returned check or notice of breach, the presenting bank does not make prompt restitution, the Department may begin appropriate collection procedures.

§ 355.5 Notice and replacement—non-receipt, theft, loss or destruction; late presentment.

(a) *Notification.* If a fiscal agency check is not received by the payee within a reasonable time after a payment is due, or if the check is lost, stolen or destroyed, prompt notification thereof should be made to the payor Reserve Bank or directly to the Department, as appropriate. The notice may be given by telephone, but if it is given by telephone, such notice must be confirmed in writing before a replacement check is issued. The notification must contain sufficient information to enable the payor Reserve Bank or the Department to identify the account and/or the security to which the payment is related. Payment on a fiscal agency check will be stopped if the notice of non-receipt, loss, theft, or destruction is received at such time and in such manner as to afford the payor Reserve Bank a reasonable opportunity to act on it prior to final payment, as provided by applicable law.

(b) *Replacement action.* The payor Reserve Bank will issue a replacement fiscal agency check if:

(1) Written notice, as provided in paragraph (a) of this section, is submitted;

(2) The fiscal agency check is unpaid;

(3) It determines that recovery of the original check is unlikely; and

(4) The payee and endorsee, if any, of the check execute such indemnification agreement as may be required.

(c) *Recovery before replacement.* If prior to the issuance of a replacement fiscal agency check, the original check is recovered by the payee or any holder, and such recovery is confirmed in writing, the stop payment order against the check will be removed. If a replacement check was issued, the

original check should be returned to the payor Reserve Bank.

(d) *Late presentment.* If a payor Reserve Bank refuses payment on a fiscal agency check solely as a result of § 355.3(b) of this part, a replacement check will be issued to a payee or holder upon surrender of the original check and execution of such indemnification agreement as may be required.

(e) *Improper endorsement.* Upon verification of the existence of a forged or unauthorized endorsement on a fiscal agency check which has been finally paid, the payor Reserve Bank shall issue a replacement check to the person entitled. In any event, the payee or endorsee of the check will be required to execute an affidavit asserting that there has been a forged or unauthorized endorsement, in addition to any required indemnification agreement.

(f) *Payment to two or more persons.* In the case of a fiscal agency check payable to the order of two or more persons, the requirements of this section apply to all designated payees.

[50 FR 42519, Oct. 21, 1985; 50 FR 46284, Nov. 7, 1985]

§ 355.6 Additional requirements.

In any case or any class of cases arising under these regulations, the Secretary of the Treasury (*Secretary*) may require such additional evidence of loss, improper endorsement or entitlement to a replacement as may in the judgment of the Secretary be necessary for the protection of the interests of the United States.

§ 355.7 Waiver of regulations.

The Secretary reserves the right, in the Secretary's discretion, to waive any provision(s) of these regulations in any case or class of cases for the convenience of the United States or in order to relieve any person(s) of unnecessary hardship, if such action is not inconsistent with law, does not impair any existing rights, and the Secretary is satisfied that such action will not subject the United States to any substantial expense or liability.

§ 355.8 Supplements, amendments or revisions.

The Secretary may, at any time, prescribe additional supplemental, amendatory or revised regulations with respect to fiscal agency checks.

PART 356—SALE AND ISSUE OF MARKETABLE BOOK-ENTRY TREASURY BILLS, NOTES, AND BONDS (DEPARTMENT OF THE TREASURY CIRCULAR, PUBLIC DEBT SERIES NO. 1–93)

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